

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NORTH DAKOTA
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

BRUCE R. BIBOW,
VALERIE G. BIBOW,
BREMER BANK, NATIONAL
ASSOCIATION,
WARD COUNTY, and
STATE OF NORTH DAKOTA,

Defendants.

Case No.

COMPLAINT

Plaintiff United States of America, for its complaint against defendants Bruce R. Bibow, Valerie G. Bibow, Bremer Bank, National Association (“Bremer Bank”), Ward County (North Dakota), and the State of North Dakota, alleges the following:

1. This is a civil action to:
 - a. enforce the United States’ federal tax liens against certain real property located at 2212 21st Avenue SW, Minot, North Dakota 58701 (the “21st Avenue Property”) (Count I, *infra*);
 - b. enforce the United States’ federal tax liens against certain real property located at 321 NW 18th Street, Minot, North Dakota 58703 (the “18th Street Property”) (Count II, *infra*);
 - c. order the sales of the 21st Avenue Property and the 18th Street Property; and

d. have the proceeds from court-ordered sales distributed to the parties in amounts determined by the Court.

2. This action has been requested and authorized by the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury of the United States, and is brought at the direction of a delegate of the Attorney General of the United States, pursuant to 26 U.S.C. §§ 7401 and 7403(a).

Jurisdiction and Venue

3. This Court has jurisdiction over this civil action pursuant to 26 U.S.C. § 7402 and 28 U.S.C. §§ 1331, 1340, and 1345.

4. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391 and 1396 because this is the district in which defendant Bruce R. Bibow resides, where his tax liabilities accrued, and where the 21st Avenue Property and the 18th Street Property are located.

Parties

5. Plaintiff is the United States of America.

6. Defendant Bruce R. Bibow resides within this district. He is a co-owner of both the 21st Avenue Property and the 18th Street Property and is married to defendant Valerie G. Bibow.

7. Defendant Valerie G. Bibow resides within this district. She is married to defendant Bruce R. Bibow. She is named as a defendant to this suit pursuant to 26 U.S.C. § 7403(b) because she may claim interests in the 21st Avenue Property and the 18th Street Property.

8. Defendant Bremer Bank is chartered under the National Bank Act and is named as a defendant to this suit pursuant to 26 U.S.C. § 7403(b) because it may claim an interest in the 21st Avenue Property.

9. Defendant Ward County is named as a defendant to this suit pursuant to 26 U.S.C. § 7403(b) because it may claim interests in the 21st Avenue Property and the 18th Street Property.

10. Defendant the State of North Dakota is named as a defendant to this suit pursuant to 26 U.S.C. § 7403(b) because it may claim interests in the 21st Avenue Property and the 18th Street Property.

The United States' Federal Tax Liens

11. A delegate of the Secretary of the Treasury made assessments against Bruce R. Bibow for unpaid federal income taxes, penalties, and interest as follows:

Tax Year	Date of Assessment
2000	7/18/2011
2003	5/16/2011
2004	3/28/2011
2005	3/28/2011
2006	3/28/2011
2007	3/28/2011
2008	3/14/2011
2009	3/21/2011

12. The IRS gave Bibow notices of the assessments referred to in paragraph 11 and made demands for payment on or about the date of each assessment.

13. As a result of the assessments referred to in paragraph 11, notices of assessments, demands for payment, and the failure of Bruce R. Bibow to pay the assessed liabilities, federal

tax liens arose in favor of the United States on the date of each of the assessments and attached to all of Bruce Bibow's property and rights to property. *See 26 U.S.C. §§ 6321 and 6322.*

14. The IRS filed notices of federal tax lien with the County Recorder of Ward County, North Dakota as follows:

Date NFTL Recorded	Tax Years
9/20/2010	2003 2004 2005 2006 2007
5/10/2011	2008 2009
7/19/2011	2003 2004 2005 2006 2007
8/22/2011	2000

15. On February 8, 2021, the United States sued Bibow to reduce to judgment the unpaid assessments referred to in paragraph 11. *See United States v. Bruce R. Bibow, No. 1:21-cv-27-DLH-CRH (D.N.D.).*

16. On July 22, 2021, the Court entered judgment in favor of the United States and against Bruce R. Bibow for the unpaid federal income taxes, penalties and interest referred to in paragraph 11, in the amount of \$449,193.31, plus interest on that amount accruing from July 22, 2021. *See Judgment (ECF No. 13), United States v. Bruce R. Bibow, No. 1:21-cv-27-DLH-CRH (D.N.D.).* Certified abstracts of the judgment were filed with the Foster County Recorder on September 7, 2021, and with the Ward County Recorder on September 15, 2021.

17. Despite the judgment, Bibow has failed to pay the liabilities identified in paragraph 11. Therefore, he is indebted to the United States for the unpaid balances—which total \$525,791.74 as of September 30, 2023—plus statutory additions, including interest, that accrue until paid in full.

Count I: Enforce the United States' federal tax liens against the 21st Avenue Property.

18. The United States incorporates by reference the allegations in paragraphs 1 through 17 as if set forth herein.

19. By warranty deed dated November 18, 1991, and recorded with the Register of Deeds of Ward County, North Dakota, on November 19, 1991, as Document Number 694442, Bruce R. Bibow and Valerie G. Bibow acquired the 21st Avenue Property.

20. The 21st Avenue Property has a legal description in the records of the Register of Deeds of Ward County, North Dakota, as follows:

Lot Two (2), Block One (1), Subdivision of Lots 1, 2, 45, 46, and 47, Green Acres Third Addition to the City of Minot, ND

21. The United States' federal tax liens referred to in paragraph 13 attached to Bruce R. Bibow's interest in the 21st Avenue Property.

22. Consequently, the United States is entitled to enforce the federal tax liens described in paragraph 13 against the 21st Avenue Property pursuant to 26 U.S.C. § 7403 and to have the entire 21st Avenue Property sold in a judicial sale (including by a receiver if requested by the United States), free and clear of all claims, liens, or interests of the parties, including any rights of redemption, with the proceeds of the sale distributed: first, to pay the costs of sale, including any expenses incurred to secure and maintain the 21st Avenue Property; second, to Ward County, to pay any real estate taxes due and owing which are entitled to priority under 26 U.S.C. § 6323(b)(6); third, in equal parts to Valerie G. Bibow to the extent that she establishes a

property interest in the 21st Avenue Property equal in priority to the United States' interest and to the United States to pay the liabilities described in paragraph 11, except to the extent that the Court determines that another party has a superior right, title, or interest.

WHEREFORE, the United States respectfully requests that the Court enter judgment in favor of the United States and against all other parties to this action on Count I of the complaint as follows:

- (a) Declare that the federal tax liens described in paragraph 13 are valid and subsisting liens that attached to all property and rights to property of Bruce R. Bibow as of the dates of the assessments made against him, including the 21st Avenue Property;
- (b) Order that any Defendant claiming an interest in the 21st Avenue Property superior to the federal tax liens affirmatively demonstrate that interest;
- (c) Order that the federal tax liens described in paragraph 13 be enforced, that the 21st Avenue Property be sold in a judicial sale according to the law or through a receiver appointed by the Court, free and clear of any right, title, lien, claim or interest of any other lien holders (except for easements, restrictions, and reservations of record), and that the proceeds of the sale be distributed to the parties in such amounts as this Court determines; and
- (d) Award the United States such other relief as is just and equitable, including awarding the United States its costs.

Count II: Enforce the United States' federal tax liens against the 18th Street Property.

23. The United States incorporates by reference the allegations in paragraphs 1 through 17 as if set forth herein.

24. By warranty deed dated December 18, 2000, and recorded with the Register of Deeds of Ward County, North Dakota, on January 2, 2001, as Document Number 2790136, Bruce R. Bibow and Valerie Bibow acquired the 18th Street Property.

25. The 18th Street Property has a legal description in the records of the Register of Deeds of Ward County, North Dakota, as follows:

E ½ of Lots 1 and 2, Block 1, Garden Valley Addition to the City of Minot, Ward County, North Dakota

26. The United States' federal tax liens referred to in paragraph 13 attached to Bruce R. Bibow's interest in the 18th Street Property.

27. Consequently, the United States is entitled to enforce the federal tax liens described in paragraph 13 against the 18th Street Property pursuant to 26 U.S.C. § 7403 and to have the entire 18th Street Property sold in a judicial sale (including by a receiver if requested by the United States), free and clear of all claims, liens, or interests of the parties, including any rights of redemption, with the proceeds of the sale distributed: first, to pay the costs of sale, including any expenses incurred to secure and maintain the 18th Street Property; second, to Ward County, to pay any real estate taxes due and owing which are entitled to priority under 26 U.S.C. § 6323(b)(6); third, in equal parts to Valerie G. Bibow to the extent that she establishes a property interest in the 18th Street Property equal in priority to the United States' interest and to the United States to pay the liabilities described in paragraph 11, except to the extent that the Court determines that another party has a superior right, title, or interest.

WHEREFORE, the United States respectfully requests that the Court enter judgment in favor of the United States and against all other parties to this action on Count II of the complaint as follows:

- (a) Declare that the federal tax liens described in paragraph 13 are valid and subsisting liens that attached to all property and rights to property of Bruce R. Bibow as of the dates of the assessments made against him, including the 18th Street Property;
- (b) Order that any Defendant claiming an interest in the 18th Street Property superior to the federal tax liens affirmatively demonstrate that interest;
- (c) Order that the federal tax liens described in paragraph 13 be enforced, that the 18th Street Property be sold in a judicial sale according to the law or through a receiver appointed by the Court, free and clear of any right, title, lien, claim or interest of any other lien holders (except for easements, restrictions, and reservations of record), and that the proceeds of the sale be distributed to the parties in such amounts as this Court determines; and
- (d) Award the United States such other relief as is just and equitable, including awarding the United States its costs.

Dated: September 6, 2023

Respectfully submitted,

MCLAIN J. SCHNEIDER
United States Attorney

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